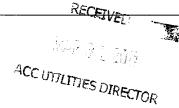
ARIZONA CORPORATION COMMISSION UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-02476A

Bradshaw Water Company PO Box 12758 Prescott, AZ 86304



ANNUAL REPORT Water

FOR YEAR ENDING

12 31 2010

FOR COMMISSION USE

ANN 04 10

4-4-11

COMPANY INFORMATION

| Company Name (Business Name) | | |
|--|---|---|
| Mailing AddressPO BOX 12758_ | | |
| (Street) | | |
| (City) | AZ (State) | (Zip) |
| 928-778-1888 | 928-775-8541 | |
| 928-778-1888 Telephone No. (Include Area Code) | Fax No. (Include Area Code) | Cell No. (Include Area Code) |
| Email Addressbwco@cableone | .net | |
| Local Office Mailing Address | same | |
| | (Street) | |
| (City) | (State) | (Zip) |
| Local Office Telephone No. (Include Area Code) | Fax No. (Include Area Code) | Cell No. (Include Area Code) |
| | | |
| | | |
| Email Address | NAGEMENT INFORMATION | |
| MA □Regulatory Contact: | NAGEMENT INFORMATION | <u>ON</u> |
| MA □Regulatory Contact: | NAGEMENT INFORMATION | <u>on</u> Owner |
| MA ☐ Regulatory Contact: ☐ Management Contact: ☐ Don Bo | NAGEMENT INFORMATION | <u>ON</u> |
| MA ☐ Regulatory Contact: ☐ Management Contact: ☐ Don Bo 4750 N Tonto Circle ☐ Pr (Street) | NAGEMENT INFORMATION hlier | ON OWNER (Title) |
| MA ☐ Regulatory Contact: ☐ Management Contact: ☐ Don Bo 4750 N Tonto Circle Pr | NAGEMENT INFORMATION hlier (Name) escott Valley (City) | ON OWNER (Title) Az 86314 (State) (Zip) |
| MA ☐ Regulatory Contact: ☐ Management Contact: Don Bo 4750 N Tonto Circle Pr (Street) 928-778-1888 Telephone No. (Include Area Code) Email | NAGEMENT INFORMATION hlier (Name) escott Valley (City) 928-775-8541 | ON ON (Title) Az 86314 (State) (Zip) 928-713-3772 Cell No. (Include Area Code) |
| MA ☐ Regulatory Contact: ☐ Management Contact: Don Bo 4750 N Tonto Circle | hlier(Name) escott Valley (City) 928-775-8541 Fax No. (Include Area Code) | ON ONNEL (Title) Az 86314 (State) (Zip) 928-713-3772 Cell No. (Include Area Code) |
| MA ☐ Regulatory Contact: ☐ Management Contact: Don Bo 4750 N Tonto Circle Pr (Street) 928-778-1888 Telephone No. (Include Area Code) Email Address bwco@cableone.net On Site Manager: | hlier (Name) escott Valley (City) 928-775-8541 Fax No. (Include Area Code) Don Bohlier (Name) | ON ONNEL (Title) Az 86314 (State) (Zip) 928-713-3772 Cell No. (Include Area Code) |
| MA ☐ Regulatory Contact: ☐ Management Contact: Don Bo 4750 N Tonto Circle | hlier (Name) escott Valley (City) 928-775-8541 Fax No. (Include Area Code) Don Bohlier | ON ONNEL (Title) Az 86314 (State) (Zip) 928-713-3772 Cell No. (Include Area Code) |
| MA ☐ Regulatory Contact: ☐ Management Contact:Don Bo 4750 N Tonto Circle Pr (Street) 928-778-1888 Telephone No. (Include Area Code) Email Addressbwco@cableone.net On Site Manager: 4750 N TONTO CIRCLE (Street) | hlier(Name) escott Valley (City) 928-775-8541 Fax No. (Include Area Code) Don Bohlier(Name) PRESCOTT VALLEY | ON ON (Title) Az 86314 (State) (Zip) 928-713-3772 Cell No. (Include Area Code) |
| MA ☐ Regulatory Contact: ☐ Management Contact:Don Bo 4750 N Tonto Circle | hlier(Name) escott Valley (City) 928-775-8541 Fax No. (Include Area Code) Don Bohlier(Name) PRESCOTT VALLEY (City) 928-775-8541 Fax No. (Include Area Code) | ON ON (Title) Az 86314 (State) (Zip) 928-713-3772 Cell No. (Include Area Code) AZ 86314 (State) (Zip) |

| Statutory Agent: MUSGR | OVE, DRUTZ, KACK P.C. | | |
|------------------------------------|--|------------------|------------------------|
| PO BOX 2720 | (Name) PRESCOTT | AZ | 86302 |
| (Street) 928-445-5935 | (City) | (State) | (Zip) |
| Telephone No. (Include Area Code) | Fax No. (Include Area Code | Cell No | o. (Include Area Code) |
| Attorney:_JIM MUSGROVE | | | |
| PO BOX 2720 | (Name) PRESCOTT | AZ | 86302 |
| (Street) 928-445-5935 | (City) | (State) | (Zip) |
| Telephone No. (Include Area Code) | Fax No. (Include Area Code) | Cell No | o. (Include Area Code) |
| Email Address | | | |
| | OWNERSHIP INFORMATI | <u>ION</u> | |
| Check the following box that appli | es to your company: | | |
| Sole Proprietor (S) | C Corporation | (C) (Other than | n Association/Co-op) |
| Partnership (P) | ☐ Subchapter S C | Corporation (Z) | |
| ☐ Bankruptcy (B) | Association/Co | -op (A) | |
| Receivership (R) | Limited Liabili | ty Company | |
| Other (Describe) | | | |
| | COUNTIES SERVED | | |
| Check the box below for the count | y/ies in which you are certificated to | provide service: | |
| □ АРАСНЕ | ☐ COCHISE | □ сос | ONINO |
| ☐ GILA | ☐ GRAHAM | GRE | ENLEE |
| ☐ LA PAZ | ☐ MARICOPA | □ мон | IAVE |
| ☐ NAVAJO | ☐ PIMA | ☐ PINA | L |
| ☐ SANTA CRUZ | 🗓 YAVAPAI | ☐ YUM | A |
| ☐ STATEWIDE | | | |

COMPANY NAME BRADSHAW WATER CO., INC

UTILITY PLANT IN SERVICE

| Acct. | | Original | Accumulated | O.C.L.D. |
|-------|--|-----------|-------------------|--------------|
| No. | DESCRIPTION | Cost (OC) | Depreciation (AD) | (OC less AD) |
| 301 | Organization | | | |
| 302 | Franchises | | | |
| 303 | Land and Land Rights | | | |
| 304 | Structures and Improvements | | | |
| 307 | Wells and Springs | 58,234 | 58,234 | 0 |
| 311 | Pumping Equipment | 85,638 | 84,352 | 1,286 |
| 320 | Water Treatment Equipment | | | |
| 330 | Distribution Reservoirs and Standpipes | 204,825 | 191,066 | 13,759 |
| 331 | Transmission and Distribution Mains | 949,252 | 536,479 | 412,773 |
| 333 | Services | 56,372 | 32,119 | 24.253 |
| 334 | Meters and Meter Installations | 10,575 | 4,627 | 5,948 |
| 335 | Hydrants | 26,689 | 13,146 | 13,543 |
| 336 | Backflow Prevention Devices | | | |
| 339 | Other Plant and Misc. Equipment | | | |
| 340 | Office Furniture and Equipment | | | |
| 341 | Transportation Equipment | | | |
| 343 | Tools, Shop and Garage Equipment | | | |
| 344 | Laboratory Equipment | | | |
| 345 | Power Operated Equipment | | | |
| 346 | Communication Equipment | | | |
| 347 | Miscellaneous Equipment | | | |
| 348 | Other Tangible Plant | | | * |
| | TOTALS | 1,391,585 | 920,023 | 471,562 |

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME BRADSHAW WATER CO., INC

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

| Acct. No. | DESCRIPTION | Original Cost (1) | Depreciation Percentage (2) | Depreciation Expense (1x2) |
|--------------|--|----------------------|-----------------------------------|----------------------------|
| 301 | Organization | | | |
| 302 | Franchises | | | |
| 303 | Land and Land Rights | | | |
| 304 | Structures and Improvements | | | |
| 307 | Wells and Springs | 58,234 | 0 | 0 |
| 311 | Pumping Equipment | 85,638 | 12.5% | 109 |
| 320 | Water Treatment Equipment | | | |
| 330 | Distribution Reservoirs and Standpipes | 204,825 | 2.22% | 306 |
| 331 | Transmission and Distribution Mains | 949,252 | 2.00% | 8,275 |
| 333 | Services | 56,372 | 3.33% | 807 |
| 334 | Meters and Meter Installations | 10,575 | 8.33% | 537 |
| 335 | Hydrants | 26,689 | 2.00% | 267 |
| 336 | Backflow Prevention Devices | | | |
| 339 | Other Plant and Misc. Equipment | | | |
| 340 | Office Furniture and Equipment | | | |
| 341 | Transportation Equipment | | | |
| 343 | Tools, Shop and Garage Equipment | | | |
| 344 | Laboratory Equipment | | | |
| 345 | Power Operated Equipment | | | |
| 346 | Communication Equipment | | | |
| 347 | Miscellaneous Equipment | | | |
| 348 | Other Tangible Plant | | | |
| | TOTALS | 1,391,585 | | 10,301 |

This amount goes on the Comparative Statement of Income and Expense
Acct. No. 403.

BALANCE SHEET

| Acct No. | | BALANCE AT BEGINNING OF | BALANCE AT END OF |
|-------------|---|----------------------------|----------------------|
| | ASSETS | YEAR | YEAR |
| | CURRENT AND ACCRUED ASSETS | | |
| 131 | Cash | \$ 4,155 | \$ 2,840 |
| 134 | Working Funds | 0 | 0 |
| 135 | Temporary Cash Investments | 0 | 0 |
| 141 | Customer Accounts Receivable | \$ 8,739 | \$ 5,644 |
| 146 | Notes/Receivables from Associated Companies | 0 | 0 |
| 151 | Plant Material and Supplies | 0 | 0 |
| 162 | Prepayments | 0 | 0 |
| 174 | Miscellaneous Current and Accrued Assets | 0 | 0 |
| | TOTAL CURRENT AND ACCRUED ASSETS | | |
| | | \$ 12,894 | \$ 8,484 |
| | FIXED ASSETS | | |
| 101 | Utility Plant in Service | \$1,390,190. | \$1,391,585 |
| 103 | Property Held for Future Use | | |
| 105 | Construction Work in Progress | | |
| 108 | Accumulated Depreciation – Utility Plant | 909,723 | 920,023 |
| 121 | Non-Utility Property | | |
| 122 | Accumulated Depreciation – Non Utility | | |
| | TOTAL FIXED ASSETS | \$ 480,467 | \$ 471,562 |
| | TOTAL ASSETS | \$ 493,361 | \$ 480,046 |

NOTE: The Assets on this page should be equal to Total Liabilities and Capital on the following page.

COMPANY NAME BRADSHAW WATER CO., INC

BALANCE SHEET (CONTINUED)

| Acct. No. | | BALANCE AT BEGINNING OF | BALANCE AT END OF |
|--------------|--|----------------------------|----------------------|
| | LIABILITIES | YEAR | YEAR |
| | CURRENT LIABILITES | | |
| 231 | Accounts Payable | \$ 15,358 | \$ 21,557 |
| 232 | Notes Payable (Current Portion) | 0 | 0 |
| 234 | Notes/Accounts Payable to Associated Companies | 0 | 0 |
| 235 | Customer Deposits | 0 | 0 |
| 236 | Accrued Taxes | 4,795 | 2,109 |
| 237 | Accrued Interest | 170 | 160 |
| 241 | Miscellaneous Current and Accrued Liabilities | 0 | 0 |
| | TOTAL CURRENT LIABILITIES | \$ 20,323 | \$ 23,826 |
| | LONG-TERM DEBT (Over 12 Months) | | |
| 224 | Long-Term Notes and Bonds | \$ 32,294 | \$ 30,309 |
| | DEFERRED CREDITS | | |
| 251 | Unamortized Premium on Debt | \$ 0 | \$ 0 |
| 252 | Advances in Aid of Construction | 0 | 0 |
| 255 | Accumulated Deferred Investment Tax Credits | 0 | 0 |
| 271 | Contributions in Aid of Construction | 0 | 0 |
| 272 | Less: Amortization of Contributions | 0 | 0 |
| 281 | Accumulated Deferred Income Tax | 0 | 0 |
| | TOTAL DEFERRED CREDITS | \$ 0 | \$ 0 |
| | TOTAL LIABILITIES | \$ 52,617 | \$ 54,135 |
| | CAPITAL ACCOUNTS | | |
| 201 | Common Stock Issued | \$ 998,500 | \$ 998,500 |
| 219 | Dividend Bohlier | (46,610) | (46,610) |
| 215 | Retained Earnings | (627,733) | (820,840) |
| 219.1 | Opening Balance Equity | (24,050) | (24,050) |
| | TOTAL CAPITAL | \$ 300,107 | \$ 107,000 |
| | TOTAL LIABILITIES AND CAPITAL | \$ 352,724 | \$ 161,135 |

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

| Acct. No. | OPERATING REVENUES | PRIOR YEAR | CURRENT YEAR | |
|--------------|---|------------|--------------|--|
| 461 | Metered Water Revenue | £ 120 027 | ¢ 132 550 | |
| 460 | Unmetered Water Revenue | \$ 129,037 | \$ 123,559 | |
| 474 | Other Water Revenues | 0 | 0 | |
| 4/4 | | 2,776 | 1,813 | |
| | TOTAL REVENUES | \$ 131,813 | \$ 125,372 | |
| | OPERATING EXPENSES | | | |
| 601 | Salaries and Wages | \$ 0 | \$ 0 | |
| 610 | Purchased Water | 69,324 | 66,427 | |
| 615 | Purchased Power | 6,049 | 5,743 | |
| 618 | Chemicals | 0 | 0 | |
| 620 | Repairs and Maintenance | 2,329 | 7,133 | |
| 621 | Office Supplies and Expense | 3,418 | 2,013 | |
| 630 | Outside Services | 32,060 | 35,202 | |
| 635 | Water Testing | 1,382 | 1,414 | |
| 641 | Rents | 2,949 | 2,421 | |
| 650 | Transportation Expenses | 0 | 0 | |
| 657 | Insurance – General Liability | 3,441 | 3,709 | |
| 659 | Insurance - Health and Life | 0 | 0 | |
| 666 | Regulatory Commission Expense – Rate Case | 2,362 | 0 | |
| 675 | Miscellaneous Expense | 2,826 | 5,260 | |
| 403 | Depreciation Expense | 7,600 | 10,301 | |
| 408 | Taxes Other Than Income | 0 | 0 | |
| 408.11 | Property Taxes | 4,167 | 4,399 | |
| 409 | Income Tax | 50 | 50 | |
| | TOTAL OPERATING EXPENSES | \$ 137,957 | \$ 144,072 | |
| | OPERATING INCOME/(LOSS) | \$ (6,144) | \$ (18,700) | |
| | OTHER INCOME/(EXPENSE) | | | |
| 419 | Interest and Dividend Income | \$ 0 | \$ 0 | |
| 421 | Non-Utility Income | 26,030 | 900 | |
| 426 | Miscellaneous Non-Utility Expenses | (26,000) | 0 | |
| 427 | Interest Expense | (1,920) | (1,978) | |
| | TOTAL OTHER INCOME/(EXPENSE) | \$ (1,890) | (\$ 1,078) | |
| | NET INCOME/(LOSS) | \$ (8,034) | \$ (19,778) | |

SUPPLEMENTAL FINANCIAL DATA Long-Term Debt

| | LOAN #1 | LOAN #2 | LOAN #3 | LOAN #4 |
|------------------------|------------------------|---------|---------|---------|
| | 1/26/01 | | | |
| Date Issued | | | | |
| Source of Loan | WIFA | | | |
| ACC Decision No. | 62904 | | | |
| Reason for Loan | Install new water tank | | | |
| Dollar Amount Issued | \$ 45,000.00 | \$ | \$ | \$ |
| Amount Outstanding | \$ 30,308.91 | \$ | \$ | \$ |
| Date of Maturity | 6/1/2021 | | | |
| Interest Rate | 6.3 % | % | % | % |
| Current Year Interest | \$1,978 | \$ | \$ | \$ |
| Current Year Principle | \$1,985 | \$ | \$ | \$ |

| Meter Deposit Balance at Test Year End | \$ 9800.00 |
|--|------------|
| Meter Deposits Refunded During the Test Year | \$ none |

Note WE WERE unaware WE were lequired to refund 10% per year of the Meter Deposit fee until filing for our recent LATE Tricrease. We will be implementing refunds as required after approval of our Rate. Increase application.

COMPANY NAME BRADSHAW WATER CO

Name of System: BRADSHAW WATER ADEQ Public Water System Number: 13-141

WATER COMPANY PLANT DESCRIPTION

WELLS

| ADWR ID Number* | Pump Horsepower | Pump Yield (gpm) | Casing Depth (Feet) | Casing Diameter (Inches) | Meter Size (inches) | Year Drilled |
|--------------------|--------------------|---------------------|---------------------------|--------------------------------|------------------------|-----------------|
| 55-501033 | 3.00 | 23.0 | 130 | 6 | 5/8x3/4 | 1981 |
| 55-511113 | 1.5 | 7.5 | 380 | 6 | 5/8x3/4 | 1985 |
| 55-610663 | 2.0 | 10.0 | 20 | 6 | 5/8x3/4 | 1966 |
| 55-524180 | 3.0 | 10.0 | 634 | 6 | 5/8x3/4 | 1989 |
| | | | | | | |
| | | | | | | |

Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

| Name or Description | Capacity (gpm) | Gallons Purchased or Obtained (in thousands) |
|--------------------------------|----------------|--|
| PRESCOTT VALLEY WATER DISTRICT | 100 | 11,964 |
| | | |

| BOOSTER PUMPS | | FIRE HYDRANTS | |
|---------------|----------|-------------------|----------------|
| Horsepower | Quantity | Quantity Standard | Quantity Other |
| 1.00 | 2 | 29 | |
| 1.5 | 1 | | |
| 7.5 | 2 | | |
| 10.0 | 2 | | |

| STORAGE TANKS | | PRESSURE TANKS | |
|-------------------|---|----------------|----------|
| Capacity Quantity | | Capacity | Quantity |
| 22,000 | 1 | 1000 | 1 |
| 33,000 | 1 | 30 | 2 |
| 47,500 | 1 | | |

Note: If you are filing for more than one system, please provide separate sheets for each system.

Name of System: BRADSHAW WATER

ADEQ Public Water System Number:13-141

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

| MAINS | | | | |
|------------------|----------|------------------|--|--|
| Size (in inches) | Material | Length (in feet) | | |
| 2 | PVC | 3150 | | |
| 3 | 0 | 0 | | |
| 4 | PVC | 14,459 | | |
| 5 | 0 | 0 | | |
| 6 | PVC | 22,548 | | |
| 8 | PVC | 10,744 | | |
| 10 | | | | |
| 12 | | | | |
| | | | | |
| | | | | |
| , , , | | | | |
| | | | | |
| | | | | |

| CUSTOMER | METERS |
|----------|--------|
| | |

| Quantity |
|----------|
| 165 |
| |
| <u>6</u> |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |

For the following three items, list the utility owned assets in each category for each system.

| TREATMENT EQUIPMENT: |
|--|
| 1- Nana Filtration System |
| 2-Chlorination Systems |
| 1-Agua-mas System |
| This tequipment was taken but of Service in 2001 since Brad shaw was |
| 1-Aqua-mas System This requipment was taken but of Service in 2001 since Brad shaw was Looked up to the town of Prescort Valley WATER Distaict |
| STRUCTURES: |
| 3-Pump Enclosures 4-Well Enclosures 3 PRV Vaults |
| H- Well Enclosures |
| 3 PRV Vaults |
| |
| |
| |
| OTHER |
| OTHER: |
| |
| |
| |
| |

Note: If you are filing for more than one system, please provide separate sheets for each system.

| COMPANY NAME: P | RADSHAW WATER CO |
|------------------------|------------------|
|------------------------|------------------|

Name of System: BRADSHAW WATER ADEQ Public Water System Number: 13-141

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2010

| MONTH | NUMBER OF CUSTOMERS | GALLONS SOLD (Thousands) | GALLONS PUMPED (Thousands) | GALLONS PURCHASED |
|-----------|------------------------|--------------------------------|----------------------------------|------------------------|
| JANUARY | 167 | 667,967 | 72,830 | (Thousands) 825,000 |
| FEBRUARY | 168 | 645,601 | 70,980 | 605,000 |
| MARCH | 163 | 522,849 | 55,990 | 825,000 |
| APRIL | 167 | 797,706 | 34,650 | 825,000 |
| MAY | 166 | 1,145,838 | 39,770 | 1,177,000 |
| JUNE | 166 | 1,331,616 | 38,140 | 1,276,000 |
| JULY | 167 | 1,239,280 | 39,980 | 1,386,000 |
| AUGUST | 172 | 1,164,839 | 52,480 | 1,157,000 |
| SEPTEMBER | 174 | 1,036,648 | 38,120 | 1,193,000 |
| OCTOBER | 173 | 1,368,427 | 31,390 | 1,175,000 |
| NOVEMBER | 174 | 1,782,824 | 16,660 | 736,000 |
| DECEMBER | 166 | 654,073 | 13,200 | 784,000 |
| | TOTALS → | 12,357,668 | 504,190 | 11,964,000 |

| What is the level of arsenic for each well on your (If more than one well, please list each separately.) | system? | _7.9 | mg/l | | |
|--|---------------------|----------|-------------|------|------|
| If system has fire hydrants, what is the fire flow re | equirement? | _500 | _GPM for _ | _1 | _hrs |
| If system has chlorination treatment, does this treatment () Yes () No | ıtment syster | n chlori | nate contin | uous | ly? |
| Is the Water Utility located in an ADWR Active M (x) Yes () No | / Ianagement | Area (A | MA)? | | |
| Does the Company have an ADWR Gallons Per C () Yes (x) No | Capita Per Da | ay (GPC | PD) requir | emen | ıt? |
| If yes, provide the GPCPD amount: 0 | | | | | |

Note: If you are filing for more than one system, please provide separate data sheets for each system.

| COMPANY NAME: Bradshaw WATER Co. | |
|--|--------|
| Name of System: Prad Shan WATER ADEQ Public Water System Number: | 13-141 |

UTILITY SHUTOFFS / DISCONNECTS

| MONTH | Termination without Notice R14-2-410.B | Termination with Notice R14-2-410.C | OTHER |
|-----------|---|--|---|
| JANUARY | Ø | | |
| FEBRUARY | | | |
| MARCH | | | |
| APRIL | | | |
| MAY | | | |
| JUNE | | | |
| JULY | | | |
| AUGUST | | | |
| SEPTEMBER | | | |
| OCTOBER | | | (a) - |
| NOVEMBER | | | |
| DECEMBER | | | |
| TOTALS → | * | Ψ | |

| OTHER (description): | | | |
|----------------------|-----|------|---|
| | · | | |
| | | | |
| | | | *************************************** |
| | *** | | |
| | | | |
| | | | |

| COMPANY NAME | Bradshaw WATER Co. | _YEAR ENDING 12/31/2010 |
|--------------|--------------------|-------------------------|
|--------------|--------------------|-------------------------|

PROPERTY TAXES

| Amount of actual property taxes paid during Calendar Year 2010 was: \$ 4399.38 | |
|--|-----|
| Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks property tax payments) of any and all property taxes paid during the calendar year. | for |
| If no property taxes paid, explain why | |
| | |
| | |
| | |

VERIFICATION AND SWORN STATEMENT Taxes

| Taxes | RECEIVEL |
|---|--------------|
| | BiAR S. |
| COUNTY OF (COUNTY NAME) YAVAPAI | ACC UTILE |
| NAME (OWNER OR OFFICIAL) TITLE DON BOHLIER, OWNER | TES DIRECTOR |
| COMPANY NAME | |

I, THE UNDERSIGNED

OF THE

VERIFICATION

<u>DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION</u>

BRADSHAW WATER CO., INC

FOR THE YEAR ENDING

| MONTH | DAY | YEAR |
|-------|-----|------|
| 12 | 31 | 2010 |

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

SIGNATURE OF OWNER OR OFFICIAL

928778-1888

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

KATHLEEN MYERS
OTARY PUBLIC - ARIZONA
YAVAPAI COUNTY
MY Commission Expires

MONTH MARCUA

.201\

MY COMMISSION EXPIRES

SIGNATURE OF NOTARY PUBLI

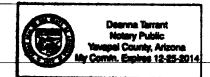
COMPANY NAME Bradshaw Water Co. Inc YEAR ENDING 12/31/2010

INCOME TAXES

| For this reporting period, provide the following: | |
|---|---|
| Federal Taxable Income Reported Estimated or Actual Federal Tax Liability | <u> </u> |
| State Taxable Income Reported Estimated or Actual State Tax Liability | $\langle \infty, 109 \rangle$ |
| Amount of Grossed-Up Contributions/Advances: | |
| Amount of Contributions/Advances Amount of Gross-Up Tax Collected Total Grossed-Up Contributions/Advances | - C - - C - - C - |
| of the tax year when tax returns are completed. Pu any Payer or if any gross-up tax refunds have alrea | will refund any excess gross-up funds collected at the closursuant to this Decision, if gross-up tax refunds are due to ady been made, attach the following information by Payer punt of gross-up tax collected, the amount of refund due to or has made the refund to the Payer. |
| CERTIFICATION | |
| prior year's annual report. This certification is to | s refunded to Payers all gross-up tax refunds reported in the be signed by the President or Chief Executive Officer, if partnership; the managing member, if a limited liability hip. |
| On Voliler SIGNATURE | 3 23 11 DATE |
| PRINTED NAME | OWNERTITLE |

VERIFICATION AND **SWORN STATEMENT Intrastate Revenues Only**

| VERIFICATION | | | | | |
|--|--|---|--|--|---|
| STATE OF AVIZONG | NTY OF (COUNTY NAME) Ava Pa 1 | | | | |
| I, THE UNDERSIGNED | e (OWNER OR OFFICIAL) | 1_ | FR | | |
| | ipany name Dradshaw | | Company | , | |
| | | | | | |
| DO SAY THAT THIS ANNUAL UTILI | Y REPORT TO | DAY DAY | A CORPORA YEAR | ATION COMMIS | <u>SION</u> |
| FOR THE YEAR ENDING | 12 | 31 | 2010 | | |
| HAS BEEN PREPARED UPAPERS AND RECORDS OF THE SAME, AND DECLAR STATEMENT OF BUSINE COVERED BY THIS REPORTED THE BEST SWORN STATEMENT IN ACCORDANCE WITH THE SECONDARY OF THE SEC | F SAID UTII RE THE SA SS AND AFF T IN RESPECT OF MY KNOW HE REQUIRE STATUTES, IT F SAID UTIL | ITY; THAT IME TO BE AIRS OF SATTO EACH AVEDGE, INFORMENT OF TITES HEREIN ITY DERIVE | I HAVE CA A COMPI ID UTILITAND EVERY ORMATION TLE 40, AN I REPORTI D FROM <u>A</u> | AREFULLY EX LETE AND C IY FOR THE Y MATTER AN N AND BELIEF RTICLE 8, SEC ED THAT THI | AMINED ORRECT PERIOD D THING TION 40-E GROSS |
| | (TH INC | E AMOUNT I | 5, 372 N BOX ABO 1529. 33 | OVE | D) |
| **REVENUE REPORTED ON THIS PAGE MUINCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASOTHE REVENUE REPORTED ABOVE DOES AGREE WITH TOTAL OPERATING REVENELSEWHERE REPORTED, ATTACH THOS STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL) SUBSCRIBED AND SWORN TO BEFORE METALS AND SWORN SWORN TO BEFORE METALS AND SWORN SW | N, NOT UES | 128-778-18 | OWNER OR OFFICIA SS ONE NUMBER | i | |
| A NOTARY PUBLIC IN AND FOR THE COL | NTY OF COL | NTY NAME VOLGE | Pa, | | |
| THIS | DAY OF MC | - A | .20 \ | | |
| (SEAL) | | Cern | ina Tain | <u>-</u> | |
| MY COMMISSION EXPIRES 125-20 | 4 | SIGNATURE OF N | NOTARY PUBLIC | | |



VERIFICATION AND SWORN STATEMENT RESIDENTIAL REVENUE INTRASTATE REVENUES ONLY

| STATE OF Acizona | | | | | | |
|---|---|--|--|--|--|---|
| | COUNTY OF (COUNTY | V NAME) . | | | V-1.11 | * |
| , THE UNDERSIGNED | NAME (OWNER OR O | | | NB _ | TITLE CV | NHEK |
| OF THE | COMPANY NAME | haw li | ATER | (cmpa | iny | |
| O SAY THAT THIS ANNUA | AL UTILITY R | EPORT TO | THE ARIZ | ONA CO | , RPORATIC | ON COMMISSION |
| | MONTH | DAY | YEAR | | | |
| OR THE YEAR ENDING | 12 | 31 | 2010 | | | |
| PAPERS AND RECTHE SAME, AND STATEMENT OF COVERED BY THI SET FORTH, TO THE WORN STATEMENT IN ACCORDANCE 401.01, ARIZONA DOPERATING REV | DECLARE BUSINESS A S REPORT IN HE BEST OF I WITH THE I REVISED ST | THE SANAND AFFAND AFFAND KNOW KNOW KNOW REQUIREM | ME TO AIRS OF TO EACH LEDGE, I | BE A C SAID U H AND I NFORM F TITLE REIN RE | COMPLET JTILITY EVERY M ATION AT 40, ARTIC | E AND CORREGE FOR THE PERION ATTER AND THIN ND BELIEF. CLE 8, SECTION 6 THAT THE GRO |
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| UTILITY OPERA CALENDAR YEAR | TIONS REC | | | | | |
| UTILITY OPERA' CALENDAR YEAR ARIZONA INTRASTATE GROSS | FIONS REC 2010 WAS: | EIVED F | ROM RE | SIDENT MOUNT I | TAL CUS | STOMERS DURIN |
| UTILITY OPERATE CALENDAR YEAR | FIONS REC 2010 WAS: | EIVED F | ROM RE (THE A | SIDENT MOUNT I DES \$ | N BOX AT 1 3, 529, 33 | STOMERS DURIN |
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| ARIZONA INTRASTATE GROSS \$ 125,37. *RESIDENTIAL REVENUMUST INCLUDE SALES SUBSCRIBED AND SWORN A NOTARY PUBLIC IN ANI | FIONS REC 2010 WAS: SOPERATING REVI FOR THE CO DAY C | EIVED F ENUES ON THIS PA D. ME | ROM RE (THE A) INCLUI IN SALI | MOUNT IDES \$ | N BOX AT 13, 529, 33 S BILLED, O | ETOMERS DURING |

